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NATURAL DISASTER REDUCTION: DROUGHT MANAGEMENT

Technical session

Addendum

Development and the vulnerability of rural households to drought: issues and lessons from sub-Saharan Africa

Summary of presentation by the International Fund for Agricultural Development

1. The devastating and prolonged droughts in the Sahel in the mid-1980s, and the record drought of 1991-1992 in southern Africa served to focus international attention upon the vulnerability of large sections of the African rural population to dramatic losses of food security when rains fail. The immediate concern has been to maintain food supplies to affected populations and, correspondingly, drought has tended to be seen as principally a short-term food supply problem, the sole possible response to which is emergency food aid. Subsequent evaluations of the longer-term effects of drought, however, revealed that its influence spread far beyond the short term and was not restricted to food supply. Specifically, it was found that the effects of drought: (a) contribute to deepening social polarization and poverty as the poorest families find it increasingly difficult to recover from one drought before entering another, a process involving progressive income and asset depletion among the poorest households; (b) depress long-term economic growth, especially in agriculture, as rural households hedge against future drought by holding their assets in liquid or near liquid forms, as opposed to engaging in long-term fixed investments in agricultural improvement; and (c) have a severe macroeconomic impact as agricultural crisis restricts availability of raw materials to allied industrial sectors, dampens demand, fuels inflation and disrupts government finances.

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2. If analysis shows the costs of drought to be much greater than simple immediate loss of output, so it has shown that emergency food supplies usually come after the major damage has been done. The long-term economic and social costs of drought spring from the loss of productive assets, particularly among small and poor farmers (including refugees from environmental disasters). It is evident, however, that hunger emerges only after farm assets have been liquidated to purchase food and that, therefore, hunger-triggered emergency food assistance arrives too late to prevent the loss of productive resources (or their de facto distribution to richer households) and, of course, does nothing to assist the stable resettlement of temporarily displaced populations.

3. The difficulty of introducing emergency assistance at a sufficiently early point in the asset depletion process has prompted concern with pre-emptive measures, not to respond to drought incidence but to reduce the possible impact of drought upon rural asset holding. In fact, such risk-avoidance behaviours are already part of the traditional economic strategies of African farmers, as evidenced by, for example, crop diversification. Suitable avenues for investment against drought vulnerability at the farm level include: support for further crop diversification; development of drought tolerant or short-season crop varieties; water harvesting and conservation; and small-scale irrigation. The impact of drought is, however, mediated not only by the physical vulnerability of crops but also by social and economic factors beyond the farm-gate. One of the major dimensions of drought situations is a dramatic change in relative prices: the price of food goods rises (in response to falling local supply), while the price of producer goods, which must be sold to acquire food, falls (in response to the rise in distress sales). The opening of the price scissors is a major factor in the decapitalization of small farms. This opening can be significantly reduced, however, by investment in improved market access, including transport and trading facilities.

4. Analysis of factors influencing the impact of drought illuminates the fact that investment can affect the level of actual drought impact on national and rural economies, and also that this investment can yield a high economic and social return. There is, however, no single investment strategy against drought. On-farm drought resilience strategies, for example, are more economically justified in relatively low potential areas, whereas investments in strategies based on social and economic infrastructure development (both physical and organizational) are more justified in high potential areas. There is, none the less, ample justification for approaching drought as an economic problem whose impact can be modified through investment, which itself can be evaluated on the basis of normal cost-benefit criteria. From this perspective, the equation between drought and famine or impoverishment is not essential, but expressive of a situation in which there has been inadequate attention paid to investment in prevention. Disaster is only party natural, it is also partly an index of economic and social unpreparedness - particularly in those situations, as in much of sub-Saharan Africa, where drought is not idiosyncratic and unpredictable but a more or less regular element of the agricultural scene.